

A. POLICY AND GENERAL QUESTIONS

1. Q. QC methodology calls for reviewing ES-511's and verifying job referrals. Should ES be made aware of this activity?
 - A. Yes. Because QC is conducting an independent evaluation of UI payments that may include several units within the SESA, QC should make every attempt to work cooperatively with these other units and to keep them aware of QC activities.
2. Q. When QC refers a case to the fraud unit for disposition, how should time be charged?
 - A. Time charging is an internal agency issue.
3. Q. Chapters II through VIII of ET. Handbook No. 395 are labeled "Required Procedures" in the Handbook's Table of Contents. Does this mean that all of these chapters are subject to Federal monitoring?
 - A. Yes. All aspects of the established QC methodology will be reviewed by regional monitors. The specific reviews that will be conducted are described in ET. Handbook No. 396 which was distributed to all Regional Offices and States on August 1, 1986.
4. Q. Page VI-1 2(a) General Investigative Requirements in ET. Handbook No. 395 states that all decisions of the QC unit must be based on the State written law and policy, available to the public. There are innumerable situations which are not covered (defined) by written laws or policies. The interpretation of laws and policies, within boundaries, is left to the discretion of individual staff. How is the QC unit to handle such situations?
 - A. It should be the objective of the QC unit to evaluate the accuracy of UI payments by applying State law and policy so that uniform and consistent findings would arise from the same facts. The QC unit, as part of the formal UI system in the SESA, must know the SESA's laws and policies to properly evaluate each sampled payment.

The question implies two kinds of situations in which law and policy are not clearly enunciated or do not exist. In the first situation an operational practice exists, but is not defined or supported by written law or policy. An example of this type situation is: a UI fraud unit will not establish a fraud overpayment of less than \$1000.00 even though no formal agency policy supports this practice. In such situations, the QC unit should make every effort to obtain from the appropriate UI authority the formulation and issuance of a supportive policy statement. If an amendment or modification of existing UI law is needed, QC should recommend such legislative effort by SESA management.

The second situation is one in which interpretation and application of general law and policy to particular circumstances are left to the discretion of individual staff. This occurs frequently in the area of availability issues. The QC unit should make every effort to obtain more sharply defined UI policy covering various common factors which affect eligibility, and which help define the boundaries of discretion in applying the policy. When the boundaries of discretion have been narrowed as much as possible, QC investigators will be able to apply agency policy more consistently. If the boundaries are still broad, it is important for the QC unit to keep in mind that QC methodology call for "investigations to begin with the assumption that the Key Week was properly paid". This means that findings of error would only occur where the original application of the broadly defined policy resulted in a decision which was out of bounds.

B. INVESTIGATIVE PROCEDURES

1. Q. Is it necessary to pursue non key week issues until a supportable conclusion is reached? If these issues are referred to other units, it may take a substantial amount of time for the issue to be resolved. Can a case be closed if non-key week action has not been completed?

- A. The response to both questions is a qualified Yes. QC methodology requires that "investigators must conduct new and original factfinding on all issues which have not been detected previously or for which it is questionable that they were properly treated. The issues must be pursued until a supportable conclusion is reached. (Non key week issues should be referred to other SESA staff for pursuit and resolution unless adjudication by QC staff would only involve incidental time and resources.) A case is complete when ... all official actions for the key week ... have been completed."

Therefore, a QC case can be completed without non-key week issues being completed. However, the QC unit must track all non-key week issues until disposition (including formal action) and must enter this information in DCI items H-9/H-10. All documentation for these issues must be included in the QC case file. Federal monitors will review these non Key Week issues to determine that pursuit, disposition and accurate DCI entry occur.

2. Q. Can the National Office define what are considered "reasonable attempts" to obtain QC information in-person and what are "compelling reasons" for not obtaining QC information in-person?

- A. Chapter VI of ET. Handbook No. 395 requires that all phases of the QC investigation are to be conducted in-person. It is also understood that in every case, this may not be possible and the methodology allow for those extreme situations.

Section 5 of Chapter VI states that "if it is not possible for the investigator to conduct the (claimant) interview in-person, the investigator must detail ... attempts to interview the claimant in-person and the reasons why other means were used to complete the questionnaire."

Section 6 states that investigators must document "if there were compelling reasons why the in-person interview could not be conducted."

Section 7 requires the investigators "to detail attempts to interview the employer in-person and the reasons why other means were used to obtain the information."

It is not feasible to define "reasonable attempts" and "compelling reasons" since exceptions are to be dealt with on a case-by-case basis. However, it is possible to provide a few examples which have occurred and are not acceptable. Monitors have reviewed cases that contain investigator statements such as "claimant moved" or "employer in an area where no other cases are located". These statements standing alone are not reasonable attempts to obtain required QC information in-person.

In the formal QC training provided by the National Office, considerable time was devoted to investigative techniques that included how to locate claimants and employers. These techniques should be used by investigators to locate and obtain QC information.

C. DATA PROCESSING

Not applicable

D. DATA ELEMENTS

1. Q. When should the snapshot be taken for each element? When there is not a before or after field, should QC use what was reported or what the field should have been?

A. The QC Investigative Guide (Appendix C to ET. Handbook No. 395) should be used to determine the correct entry for data elements. The Action Required column of the Guide describes the verification necessary before an entry is made.

2. Q. Element C-6 - Number of ERPs Held, Current Benefit Year. A claimant is in the Eligibility Review Program but as of the Key Week investigation has not had the first interview (i.e. ERP scheduled for week 10, KW is week 5). Should this be recorded as a "0" or "x"?

If "x" is used, how does the State distinguish those claimants required to have an ERP who have not reached the scheduled date from those not required to be in the ERP program? It appears we are losing some data for analysis.

- A. If the claimant is in the ERP Program but has not reached the scheduled interview date, Code "x" is used. This is because the claimant was not required to have an ERP earlier than the key week. So the lack of an ERP could not reasonably be held to affect the propriety of the key week payment.

It is true we cannot distinguish between the individuals recorded as "x" that were/were not in the ERP Program. However, these fields were intended to provide analysis on claims where lack of an ERP might have contributed to an improper payment.

3. Q. Element C-8 - Number of Prior Nonseparation Issues Disposed of. Should one enter the number of issues or the number of dispositions? (Wording of C-8 in instructions says "issues" in the first sentence and "dispositions" in the second sentence). Also, what is the difference between formal and informal dispositions?

- A. The intent of the element is to code the number of nonseparation determinations in the current benefit year through the Key Week. Nonseparation determinations relate to the claimant's continuing eligibility to receive UI benefits and will provide input to identify errors and the accuracy of eligible determinations. The only difference between formal and informal dispositions is that informal dispositions are generally eligible determinations and therefore, a formal notice is not given/mailed to the claimant.
4. Q. Element D-1 - Reason for Separation before Investigation. If there is never a break in filing, but the claimant shows some earnings and then a separation, an additional claim count may never be taken even though a nonmonetary determination may be issued. According to definition, this employer would never be used for QC coding. Is this the intent of Element D-1.
- A. Yes. The intent of item D-1 is to show the most recent separation for which an official new claim or additional count can be taken. This separation cannot include an adjudicable separation if a new or additional claim count cannot be taken using workload validation definitions. This information will be used to assess States' conformity to their own laws and compliance with Federal laws.
5. Q. Element E-1 & E-2 - Number of Base Period Employers Before Investigation & Base Period Wages Before Investigation. Why do all employers and wages need to be verified? Some States may not use all this information.
- A. The intent of items E-1 & 2 is to provide information on how accurately employers are reporting wages that are used in establishing a claim. States have different formulas for calculating the WBA and MBA of claims including the amount of wages that is taxable. A common starting point for these calculations is the total wages paid to the claimant by the employer. Therefore, for item E-2, all wages for any employer identified in E-1 should be coded. See UIPL 53-86 dated 8-14-86, Section B, Question 8 for prior clarification.
6. Q. Element F-5 - Original Amount Paid and/or Offset for Key Week. Should dependents allowance be included?
- A. Yes.

7. Q. Element G-10 - Number of Job Contacts Listed for Key Week. On the Claimant Questionnaire, Question 43; instructions say to "include unions and private employment agencies". Shouldn't this say "include referrals to job openings by unions and private employment agencies?" Or do we want claimants to list contacts with unions and private agencies? This has led to confusion on DCI item G-10 as to whether or not contacts with unions and private employment agencies should be included.
- A. The area of unions/referrals and private employment agencies/referrals needs to be applied using State law and policy. Question 43 is designed to gather information about job contacts. If the State considers contacts with the union or the private employment agency as a work search contact, then those contacts should be required to be listed in question 43 and counted in G-10. On the other hand, if such contacts in themselves are not considered work search contacts, union and private employment agencies should not be listed in question 43 of the questionnaire. Instead, the SESA should modify question 43 to reflect the State's law and policy.
8. Q. Elements H-1 to 8 - Error Classification Information. One SESA issues two determinations when fraud is involved in a case--one establishes misrepresentation; and the other, the reason for the disqualification, is established as a recoverable nonfraud overpayment. In this situation, should QC code two separate issues?
- A. One issue has arisen, even though the SESA pursues it with two separate actions. Therefore, QC must select the more appropriate action to code, in this case the fraud issue. Additional information necessary to record the facts of the case is captured by the QC coding system, i.e., responsibility, cause, etc.
9. Q. Element H-9 & 10 - Total Whole \$ Amount of Overpayments (item 9) or Underpayments (item 10) - include Key Week. Should the dollar amount coded be the total dollar amount established or just the amount for the benefit year containing the Key Week?
- A. The intent of items H-9 & 10 is to show the dollar amount of all official actions that resulted from the QC investigation of the claimant. This may cover more than one benefit year. This can be used to record the effectiveness of QC investigative work.